

Harpreet Atwal
Principal Case Officer
Ofwat
Centre City Tower
7 Hill Street
Birmingham
B5 4UA

26 June 2014

Dear Harpreet Atwal,

Notice of Ofwat's proposal to impose a penalty on Thames Water Utilities Ltd

I am responding on behalf of the Consumer Council for Water (CCWater) to the notice given by Ofwat regarding the intention to serve a financial penalty on Thames Water for contravening Condition J of its Licence in respect of the misreporting of the number of properties at risk of sewer flooding between 2005 - 2010.

While the Regulator did not find any evidence of deliberate mis-reporting, and the company has now addressed the underlying causes, the company's approach did lead to poorly targeted and inefficient spending of customers' money. In such circumstances we think it only right that customers directly benefit from any resulting regulatory action. We therefore welcome the proposal set out in the Notice that Ofwat will apply only a nominal financial penalty on the basis that Thames Water is committing to provide a package of measures that will reduce sewerage customers' bills and provide financial assistance to vulnerable customers and local community projects worth £86 million.

We agree this is a far better outcome for customers and one that we are pleased to support.

Kind regards



Sir Tony Redmond
Chair London & South East Region
CCWater